



Impact of Covid-19 on Business Performance: A Case Study of Starbucks

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ABSTRACT

The purpose of this study is to determine the impact of Covid-19 on business performance of Starbucks. There are many studies of the impact of Covid-19 on the world economy which had been conducted, this study will focus more on the food and beverage industry, especially one of the famous brands, Starbucks. Qualitative and quantitative research methods such as online research and questionnaires were carried out to ensure the evaluation of the research to gain fresh, valid and reliable data. The result showed that the impact of Covid-19 has influenced Starbucks financially, economically and socially, which includes the behaviour of consumers towards the company. Therefore, Starbucks has to remain optimistic and position itself well to overcome the pandemic crisis.

Keywords: Consumer Behaviour, Covid-19, food and beverage industry, Starbucks

INTRODUCTION

The coffee industry is one of the leading sectors among others in the food and beverage market, a lot of people enjoy drinking coffee in their daily lives (Azriuddin, et. al, 2020). Coffee is to be known as a popular drink that helps people to gain energy and go through their daily tasks. A perfect example of a food and beverage brand that operates its business entirely through bricks and mortar stores is Starbucks. It is the largest coffeehouse in the world, which operates through company-operated stores and licensed stores (Sholihah, Ali, Ahmed, & Prabandari, 2016). Starbucks Company's founded in 1971 in Seattle, Washington, the United States by three partners, Jerry Baldwin, Zev Siegl, and Gordon Bowker (Gopalakrishna, Victor & Fleischmann, 2016). The Starbucks business logo was designed and inspired based on the twin-tailed siren from Greek myths (Aiello, G., 2017). The mentor of the three partners, Alfred Peet, the founder of Peet Coffee, is also known as a coffee-roasting entrepreneur. On March 31, 1971, the



first Starbucks store was launched and located in Seattle, Pike Place Market, and started its business as a retailer that supplies all the whole beans, ground coffees, teas, and spices (Farley, 2020). In 1982, Starbucks company hired Howard Schultz as the director of retail operations, marketing, and sales. After joining the Starbucks company, he started dealing with all the fine restaurants and espresso bars by providing them with coffee (Starbucks Company Timeline, 2018). Howard Schultz even gave a quote for this famous coffee retail to redefine it in the food and beverage industry, "We are not engaged in the coffee industry, but in providing services to customers. We are in the business of customers; coffee is just providing services." (Chuang, 2019).

Starbucks Corporation proliferated into the world market over the five decades based on marketing, roasting, selling beverages, food, and branded products (Farley, 2020). Its subsidiaries have even globalised to Asia countries, including Malaysia and India (Taruliasi, Dewi & Suryadipura, 2017). According to Starbucks Website, its first outlet in Malaysia opened in Kuala Lumpur, 1998. The brand's strong presence resulted in expansion to over 190 stores in both West and East Malaysia (Isa, Subhan, & Saud, 2018). On the contrary, Starbucks opened India's first outlet in Mumbai in October 2012. The outlets in India are operated by a joint company called Tata Starbucks Private Limited, formerly known as Tata Starbucks Limited (Starbucks, 2020). The number of outlets in India is over 150 stores and they are called "A Tata Alliance".

It was apparent that the recent pandemic crisis has affected Starbucks financially and economically. At the beginning of 2020, the Covid-19 crisis has shocked the global economy, including the food and beverage industry. This situation implies that the pandemic has impacted one of the famous hospitality brands, Starbucks (Ali, Dogan, Amin, Hussain, & Ryu, 2020). The impact on Starbucks's income was mostly due to the decreasing number of consumers demands for Starbucks. Based on an article by Arnold (2020), even Malaysian Starbucks operator, Berjaya Food Berhad reported loss as much as \$1.82 million for the latest financial year due to Movement Control Orders (MCO) during the Covid-19 crisis. Starbucks's revenues are bound to be a loss since most of the earnings come from the United States, and the country has recorded the most epidemics in the world (Courtemanche, Garuccio, Le, Pinkston, & Yelowitz, 2020). Under the influence of COVID-19, Starbucks' economy, stocks, and cash flow are all declining. Besides lesser demands from the consumers, Starbucks has to implement safety protocols to create a healthy public environment in order to ensure the customers' safety. The global outbreak of covid-19 has also led to the large-scale closure of the tourism and catering industry and unemployment (Gossling, Scott, & Hall, 2020). These are the leading reasons for the decline in Starbucks's economy.

The outbreak also has an impact on Starbucks's strategy and operation. Due to the pandemic, the company was not able to go with its traditional way of operating. They realised the strategy and process in the company need to be modified. The company must consider how the progress, strength or recurrence of the pandemic has affected their approach. The most significant change that we can see is closing down outlets. According to Irdina, et. al (2020), top management is the highest part of the company's hierarchy and the most influential executives. Hence, Rossann William, executive vice president (EVP), actually wrote a letter to all the Starbucks employees about the company's next move on handling Covid-19 (Starbucks stories & News, 2020).



Starbucks is about to close 4000 outlets as a precaution due to the pandemic (Keni, Alexander, Nayak, Mudgal, & Nandakumar, 2020). The company has suffered over \$3 billion losses and they had to go with drive-thru and deliveries only (Tyko, 2020).

The Covid-19 outbreak has also caused consumer behaviour towards Starbucks to change. As Starbucks has to issue guidelines for the customers whenever they visit one of the Starbucks outlets, the customers are asked to follow the safety protocols or Standard Operating Procedure (SOP) prosecuted (Starbucks stories & News, 2021). According to the fixed hours, the company has promised that all of the outlets will follow the guidelines by observing the cleaning and sanitising protocols. Hence, customers have to follow protocols like social distancing and wearing face masks for their safety. Gatherings among friends and conversations among companies' employees are not allowed, which may cause the number of customers and Starbucks revenue to drop. However, some customers might not comply with the guidelines stated, and it caused a lot of issues for the company. Even if the ban has slowly lifted, social distancing measures may have to continue for a while and it will still affect the number of people unwilling to go since restaurants has to reduce seats for the safety of their customers, especially during MCO in Malaysia (Chan, 2020). The Covid-19 pandemic has also caused customer experiences to change, especially when the customers could not get the feel of having their delicious Starbucks orders at home due to social distancing since social gatherings and meetups are not possible (Prabhu & Soodan, 2020). Considering that customer satisfaction and service quality are crucial for business (Maisarah, et. al, 2020). Although Starbucks outlets have started functioning back to their place, the customers still feel that their wants and needs are not fulfilled during the Covid-19 pandemic.

When the pandemic has decreased Starbucks outlets' availability, the fall in the outlets' access caused the customers to face many difficulties in placing their orders or having to take away from the stores. Since most of the customers, especially Malaysians, are drawn to the "Starbucks experience" (Chok, Isa, & Siddiq, 2017), the unavailability of staying in the Starbucks outlets has somewhat disappointed, many customers say that they do not get a feel of Starbucks even if they consume their products at home. Starbucks has to realise the importance of the warm and friendly ambience even during the time of a crisis (Goh, et. al, 2020). The business groups who used to come to their outlets for meetings or deals, no longer comes, thus causing a fall in demand (Tison, et. al, 2020).

When the outlets are not open to dine in, the workforce has to be reduced. Starbucks Company still needs to load for expenses such as preparing face masks and sanitising the outlets frequently. At that time, many companies chose to dismiss their employees to cut down the expenses, causing the unemployment rate to rise in the food and beverage industry. Many stores and outlets were forced to stop their businesses (Starbucks stories & News, 2020). Meanwhile, the Starbucks employees, also called partners, are advised not to come to work if they do not feel well (Bowe & Comfort, 2020). Thus, many employees, mainly those with low positions, low wages or part-time workers will face a difficult time being unemployed which causes issues like financial barriers or family conflicts during the outbreak (Suresh, James & Balraju, 2020).



At the beginning of the Covid-19 outbreak, Starbucks understand that they had to keep moving forward with their business globally, so they decided to focus more on the online platforms. Due to the awareness of the Covid-19 pandemic, Starbucks customers have to choose by ordering food and beverage from Starbucks either through the drive-thru, Grab-and-go, Starbucks Delivers or Starbucks App online (Starbucks stories & News, 2021). Online platforms are always the best way to avoid contact with another person, such as using Foodpanda, one of Malaysia's successful food delivery services (Kamilah, et. al, 2020). Even India's Starbucks outlets, Tata Starbucks, are launching drive-thru and home deliveries to mitigate the impact of Covid-19 (PTI, 2020). However, some people might face difficulties in using those applications. For instance, even though customers can use Starbucks App to order and pay online, it might cause problems like the food or beverages to become cold or unpleasant, consequently triggering customers to be unsatisfied with the taste and the service. Hence, the reputation of the company will slowly be shattered, and Starbucks will lose their customers.

In conclusion, the impact of Covid-19 on Starbucks has affected the company in many negative ways, where it impacted Starbucks' customers, workforce, economy, and finance. Therefore, this study aims to help Starbucks to create ways for a favourable environment to position itself well to overcome the pandemic crisis.

RESEARCH METHOD

This chapter will cover how the questionnaires are prepared, distributed, and how the data is collected and analysed. The methodology used for this research was based on the primary and secondary data.

In the primary research method, questionnaires were distributed to the 100 respondents who are the regular consumers of Starbucks in India and Malaysia to gain their views on the topic. In addition to that, we had conducted secondary research through reference materials and internet material. Several suitable designs for this study were selected to simplify access to information, and data amassment. The sampling method used was the random sampling, where the respondents were selected randomly without any specific population or demography (Kee, et. al, 2020). Strategic and structured research procedures and methods are vital to derive a solution to the problem.

Research Design

A cross-sectional study was used in this research to retrieve answers from the questionnaire. It is a study where the data is collected only once. There are an advantage and disadvantage associated with this research design. This benefit of research design is that it costs lower than other methods, because the data amassment is open for a limited period. The decline response rate through this method is insufficient. Even so, the drawback in this method was that the researchers are not able to make comparisons among survey outcomes constantly, because data was only collected once when conducting the research.

Furthermore, structured questionnaires were also provided and distributed to the respondents. In the questionnaire, the Likert Scale was used to get the respondents' comparison results once they had filled up the questionnaires. The Likert scale is being



used to discover a person's attitude, perception or opinion. It has five scale choices from scale one to scale five, Scale one being strongly disagreed and then followed by disagree, neutral, agree and the last being strongly agreed.

Data Collection

We have obtained a few combinations of research data, especially the primary data and secondary data. These types of data are vital to achieve the purpose and objectives of this study conducted.

Primary Data

The primary data is also known as the unique first-hand data acquired based on a survey or an interview. This data is obtained directly from the source (Hox & Boeije, 2005). Therefore, to smoothly carry out our study, a survey was conducted to collect the first-hand data. A set of questions were prepared through "google forms". The google forms are divided into three sections which are Section A, B, and C. Section A is about the demography of respondents while in section B, and section C is about several questionnaires regarding the respondent's experience in Starbucks and the Impact of Covid-19 on Business Performance. The demographics and segmentation taken into account are the variables here. The google form questionnaire has been distributed to the respondents from India and Malaysia through several social media such as WhatsApp, Facebook, Snapchat and Instagram and they are given approximately 10 minutes to answer the questionnaire. At the end of the data collection, we received from "google response" that a total of 100 respondents selected randomly had responded to the questionnaire we have distributed. The final data collected was then further used for later interpretation in result and discussion.

Research Instrument for Primary data

A survey is general and covers a wide range of issues. The questionnaire is designed to find information which helps to determine the most important ideas, issues and questions about a general trend in people's experiences, behaviours and opinions. This method is useful to make general claims by finding small amounts of information from a wider selection of people.

Secondary Data

Secondary data is second hand data that is readily available in the market through sources like books, articles, magazines, newspapers, existing studies on the F & B Industry, information available via the internet and scientific journals.

Population and Sample Size

According to Netra (1974), the meaning of population is a group of people who are general in nature where the mannerism of individuals tends to be the same. It was to be known that the population has targeted towards the individuals that are meant to gain the implementation of the research conclusions (Sukmadinata, 2009). According to those definitions, the population of respondents for this research project mostly are Malaysian and Indian people. For our project, the number of sample sizes will be 100 respondents.



RESULTS AND DISCUSSION

Table 1. The Demography of Respondents. (N=100)

Response	Frequency	Percentage (%)
Gender		
Male	32	32
Female	68	68
Age		
20 years old and below	30	30
21- 30 years old	56	56
31-40 years old	10	10
41-50 years old	3	3
51 years old and above	1	1
Nationality		
Malaysian	95	95
Indian	5	5
Employment Status		
Student	82	82
Private Sector	6	6
Public Sector	7	7
Self Employed	4	4
Unemployed	1	1
Qualification/Education Level		
Certificate	15	15
Diploma	15	15
Degree	65	65
Postgraduate study	4	4
Matriculation	1	1

Table 1 shows that the responses are accumulated from 100 respondents which carry the demography of respondents. As much as 68% of the respondents were females, and the rest 32% were males. It indicates that female customers of Starbucks are more dominated than male customers. Moving to the age groups, the majority of the respondents are between 21 to 30 years old, which was 56%. For the second-highest age group consists of 30%, which are 20 years old and below. Thus, 86% of Starbucks customers are either 20 years old and below or between 21 to 30 years old. Following are the nationalities of respondents, which most of the respondents were Malaysians with the percentage of 95%, higher than Indians with 5%. This proves that percentage of Malaysian Starbucks customers are higher compared to Indians. Furthermore, 82% of



respondents are students, followed by workers from the public sector with 7%. Subsequently, there are 6% respondents from the private sector, 4% of respondents are self-employed, and 1% respondent is unemployed, hence implicates that most of the Starbucks's consumers may have been students. Based on education level, the largest respondent is from the degree group, which is 65% of respondents, followed by diploma and certificate level, which both are 15% respondents. The data shows that more respondents on degree level of education would prefer to go to Starbucks.

Table 2. Summary of Respondents' Response towards Starbucks Services during Covid-19 Outbreak

Section B: Questionnaire

Questions/Response	Frequency	Percentage (%)
6. How many times have you visited Starbucks in a month before Covid-19 outbreak?		
1	60	60
2	16	16
3	11	11
4	5	5
More than 4	8	8
7. How many times have you visited Starbucks in a month during Covid-19 outbreak?		
0	59	59
1	27	27
2	11	11
3	0	0
More than 3	3	3
8. Rate the preferences of services that you would like to use to order Starbucks during the pandemic.		
<u>Walk In</u>		
Strongly not preferred	15	15
Not preferred	17	17
Neutral	24	24
Preferred	27	27
Strongly preferred	17	17
<u>Drive-thru</u>		
Strongly not preferred	6	6
Not preferred	16	16
Neutral	29	29
Preferred	30	30
Strongly preferred	19	19
<u>Food delivery service like Foodpanda/Grabfood</u>		
Strongly not preferred	6	6
Not preferred	11	11
Neutral	15	15
Preferred	41	41



Strongly preferred	27	27
Grab-and-Go		
Strongly not preferred	4	4
Not preferred	17	17
Neutral	30	30
Preferred	32	32
Strongly preferred	17	17
Starbucks App		
Strongly not preferred	9	9
Not preferred	10	10
Neutral	23	23
Preferred	36	36
Strongly preferred	22	22
Starbucks Delivers		
Strongly not preferred	8	8
Not preferred	10	10
Neutral	34	34
Preferred	30	30
Strongly preferred	18	18
9. Rate the services provided by Starbucks during the pandemic.		
Very bad	0	0
Bad	0	0
Okay	38	38
Good	54	54
Very good	8	8
10. During the pandemic, would you agree that the foods/drinks prepared by Starbucks's employees are safe?		
Strongly disagree	0	0
Disagree	5	5
Neutral	37	37
Agree	43	43
Strongly agree	15	15

Based on Table 2, Question 6 shows that 60% of respondents went to Starbucks once in a month before the Covid-19 outbreak. The results followed by 16% of respondents that went to Starbucks 2 times in a month while the rest respondents went to Starbucks more than 3 times before the pandemic.

The majority of the respondents as much as 59% said that they had not visited Starbucks in a month during the Covid-19 outbreak, whereas 27% of respondents said that they have been to Starbucks once only during the outbreak. It proves that the pandemic had impacted Starbucks significantly as the number of respondents who went to Starbucks once a month before Covid-19 was 60%. It decreased to 27% after the outbreak. Moreover, within one month of the pandemic, the number of respondents who have not been to Starbucks is as high as 59%. The data above indicates that most respondents



actually feel unsafe to go to Starbucks even though Starbucks is taking the necessary precautions.

Furthermore, as much as 44% either prefer or strongly prefer to walk into Starbucks to order their food and beverage whereas 24% respondents said that they neither prefer nor not preferred the walk-in service during the Covid-19 outbreak. For the drive-thru option, 30% out of 100% of respondents prefer drive-thru service, followed by 29% of respondents said that they are neutral about the drive-thru service. Other than that, the data also shows that the majority of respondents (68%) prefer and strongly prefer to order their Starbucks through food delivery services, such as Foodpanda or Grabfood. In comparison, 32% out of 100% of respondents prefer to use Grab-and-Go service. Based on respondents' responses on Starbucks App, most of the respondents (58%) prefer using the Starbucks App to order their food and beverages. For Starbucks Delivery option, most respondents (34%) are unsure on that service since most of them are unaware about it, followed by 30% of them agree to use Starbucks Delivery to order their meal during the pandemic. From these data, it implies that most respondents rely on these services to ensure that they are still able to order their food and beverage service, especially food delivery services.

Based on the data above, among the 100 respondents, 43% agreed the food and drinks prepared by Starbucks' employees are safe, while 37 respondents were unsure about it as they think the food and beverages may or may not be safe during the Covid-19 outbreak. By comparing the above frequency percentage table, some respondents still feel that food and beverage prepared by Starbucks' employees are very safe. This implies that even when Starbucks is under the big challenge of COVID-19, their staff had provided good service and impressions to these respondents without adverse treatment.

Table 3. Summary of Respondents' Response towards Impact of Covid-19 on Starbucks

Questions/Response	Frequency	Percentage (%)
11. Do you agree with the impacts of Covid-19 on Starbucks below?		
<u>Bad business performance</u>		
Strongly disagree	2	2
Disagree	16	16
Neutral	36	36
Agree	33	33
Strongly agree	13	13
<u>Financial loss</u>		
Strongly disagree	3	3
Disagree	6	6
Neutral	24	24
Agree	54	54
Strongly agree	13	13
<u>Unstable economy in food & beverage industry</u>		
Strongly disagree	1	1



Disagree	9	9
Neutral	34	34
Agree	49	49
Strongly agree	7	7
<u>Changes in operation & closing outlets</u>		
Strongly disagree	1	1
Disagree	4	4
Neutral	28	28
Agree	48	48
Strongly agree	19	19
<u>Price of food & beverages increase</u>		
Strongly disagree	1	1
Disagree	13	13
Neutral	36	36
Agree	33	33
Strongly agree	17	17
<u>Fall in demand</u>		
Strongly disagree	2	2
Disagree	1	1
Neutral	28	28
Agree	49	49
Strongly agree	20	20
<u>Food delivery service increase</u>		
Strongly disagree	1	1
Disagree	1	1
Neutral	16	16
Agree	43	43
Strongly agree	39	39
<u>Unemployment rate increase</u>		
Strongly disagree	2	2
Disagree	5	5
Neutral	21	21
Agree	51	51
Strongly agree	21	21
<u>Changes in consumer behaviour</u>		
Strongly disagree	0	0
Disagree	6	6
Neutral	25	25
Agree	55	55
Strongly agree	14	14
12. Would you still willing to spend on these pricey drinks?		
Very unwilling	14	14
Unwilling	22	22
Neutral	37	37
Willing	20	20



Very willing

7

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Based on Table 3, Question 11 asked 100 respondents to strongly disagree to strongly agree on the impacts of Covid-19 listed in the questionnaire. Among the 100 respondents, some of them (36%) are unsure that bad business performance is one of the impacts of Covid-19 on Starbucks. Simultaneously, the data also shows that 46% of respondents believed that Starbucks’s business performance was poorly affected by the pandemic. As much as 54% of respondents are agreed that one of the impacts of Covid-19 on Starbucks is financial loss as they believed that pandemic affected Starbucks’s business to face financial loss badly instead of gaining earnings. Among the 100 respondents, 49% respondents were agreed that the impact of Covid-19 on Starbucks will get the unstable economy in food and beverage industry, followed by 34% of them chose ‘neutral’ option, it means that the outbreak may or may not be affected Starbucks to be unstable in the economy. Next, 48% out of 100 respondents were agreed that Covid-19 impacted the changes in the operation of Starbucks and Starbucks outlets closing. In comparison, 36% out of 100 respondents were unsure about the increase in food and beverage prices as the impact of Covid-19 on the company as they neither agree nor disagree with it. According to the data above, 49% of respondents were agreed that the fall in demand from customers on Starbucks was one of the impacts of Covid-19. One of the possible reasons would be that most of them were forced to stay in their homes instead of in Starbucks outlets. Besides, majority of the respondents (82%) believed that Starbucks’s food delivery service had increased rapidly during the outbreak since they chose ‘agree’ and ‘strongly agree’ options. This data describes that the majority (51%) also believed that Starbucks’s unemployment rate would increase due to the impact of Covid-19. Lastly, most of the respondents (55%) agreed that the Covid-19 would affect consumer behaviour changes towards Starbucks. In conclusion, the impacts that are mostly decided by the 100 respondents would be the surging of food delivery services, unemployment rate and changes in consumer behaviour.

For Question 12, the information about the negative effects of the Covid-19 outbreak on global economics may increase the price of Starbucks food and beverages given to the respondents. Most of them (37%) chose the option “Neutral”, because they did not want to spend their money to buy food and drinks from Starbucks. It should be understood that when Covid-19 strikes, Starbucks had to increase the price of their food and beverages to recover their losses. Therefore, the respondents’ behaviour towards Starbucks has changed, most of them are unwilling to spend their money on the expensive drinks with their low financial. Due to the global economy being hit and the unemployment rate rising, we believed that the respondents are unable to consume as they did before because there is no stable income source, or for some people who have no habit of saving money became a huge challenge during the pandemic crisis.

Table 4. Summary of Respondents’ Response towards Starbucks Effort in Improving Business during Covid-19 Outbreak

Questions/Response	Frequency	Percentage (%)
13. Do you agree that Starbucks is doing a great job on handling the Covid-19 crisis?		



Strongly disagree	1	1
Disagree	0	0
Neutral	39	39
Agree	45	45
Strongly agree	15	15
14. Would you normalize your visit to Starbucks after you know Starbucks has implemented the safety protocol?		
Strongly disagree	0	0
Disagree	4	4
Neutral	39	39
Agree	40	40
Strongly agree	17	17

Table 4 displays a summary of respondents' response towards Starbucks's effort in improving business during the Covid-19 outbreak, which contains Questions 13 and 14. Starbucks has put in a lot of effort to improve their business during the pandemic that most people may not be aware of, such as launching activities to raise awareness, converting outlets into takeaway points, doing promotion activities on online platforms and implementing safety protocols.

With this information, only 1% of respondents who chose strongly disagree, while 60% of respondents were agreed and strongly agreed that Starbucks is doing a great job on handling the Covid-19 crisis. This concludes that respondents' responses describe that the customers do believe in Starbucks's effort in making sure that their business will become better even during the pandemic.

According to Table 4, most of the respondents (40%) agree to normalize their visits to Starbucks after knowing that the company has implemented the safety protocol. This shows that the respondents are more reassured when they know that Starbucks is doing their job at ensuring the customers' health safety during the pandemic. It proves that Starbucks has very strict controls on food safety and delivered good attitude towards food safety. This is an excellent basis for the development and progress of Starbucks in the future.

CONCLUSIONS

Due to this project has a significant number of students as respondents, most of the respondents are not a big fan of Starbucks. Even before the pandemic, majority of the respondents do not go to the outlet very often. The result shows that most of our respondents put their trust in the company and believe that they handled the pandemic well. The impact of Covid-19 on Starbucks is noticeable and the company faces a massive test in terms of economy, supply chain, food safety, and consumer behaviour. It is to be generally known that most of the impacts are negative on Starbucks. Even though the company provides many delivery services options, not many customers are willing to use it during this pandemic period. Although it seems that Starbucks business has not improved during the pandemic, it is undeniable that Starbucks was able to stabilize their performance throughout the year (Trefis Team, 2020). Their efforts in



making sure that the activities like converting outlets into takeaway points, promoting events on online platforms and raising awareness in society helped them to gain some recognition from the consumers. This has to be one reason the company's reputation is excellent in others' eyes. Nonetheless, it is essential that Starbucks have to consider how the pandemic might progress and how the outbreak can influence its business performance in the future so that the company may be able to strive well in the food and beverage industry.

Throughout this study, it is obvious that Starbucks is not just doing business independently, but they are taking care of every position in the company. Despite following all the SOPs and ensuring hygiene, the company puts in a lot of efforts for their employee's welfare. All those actions Starbucks took during the pandemic period are also an opportunity to stand out among its peers, strengthening the company's differentiation and competitive advantage compared to its competitors. In addition to that, Starbucks can improve its business model during this unusual situation to fulfil as many needs or wants from its customers. Obtaining such an advantage during the Covid-19 period would significantly enhance Starbucks's employees' motivation and attract more customers to become its consumers. The company could also try to find new strategy to plan for the future programs that may help their business performance during the crisis and prevent financial losses from happening again.

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